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Thursday, November 1, 1984

C2710-1

Advertising Age

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Midweek News Summary

Federal officials warned beer wholesalers this week that if the industry wants to hold off a drive to ban beer commercials on radio and tv, it must police itself and revise marketing tactics. *See Page 2.*

Coca-Cola USA revealed this week a new "Tab's got sass" ad theme and said it plans a massive five-week network tv blitz starting Nov. 2 for major brands. *See Page 2.*

Church & Dwight is introducing a plaque-fighting tooth powder called Dental Care. *See Page 2.*

The Wrangler division of Blue Bell will break a $25 million-to-$35 million campaign Nov. 19 for all its men's and women's clothes, further proof that if the jeans market has not yet reached bottom, it's sagging. *See Page 3.*

Coca-Cola Co. has added sparkle to Columbia Pictures by helping it "spend smarter" to promote films, cross promoting certain films and enabling the studio to research the videocassette market. *See Page 3.*

The Federal Communications Commission has ordered a tv station to meet Fairness Doctrine obligations for the first time since Mark Fowler became chairman. *See Page 3.*

Nicaragua's ruling Sandinista Front party, in its first election since overthrowing the Somoza government in 1979, has launched a Western-style media blitz to ensure its continued dominance. *See Page 3.*

MicroPro International Corp. has unveiled a new word-processing program in an effort to regain the preeminent position in the market. *See Page 3.*

Subaru, the least likely car to be stolen, is making progress in another marketing niche—styling. *See Page 56.*

DIRECT MARKETING

New York University, noting that direct marketing has become a $200 billion-a-year industry, has established the Center for Direct Marketing. The center will offer a one-year program on the subject, said to be the first of its kind. *See Page 6.*

A mailing list users' group has formed a committee to help stop abuse and unauthorized use of such lists. *See Page 7.*

MDs move to halt Kellogg health ads

By STEVEN W. COLFORD

California's Cancer Advisory Council, under the auspices of the state's Department of Health Services, is expected to ask the U.S. Food & Drug Administration to investigate Kellogg Co.'s All-Bran ads that stress cancer prevention.

The 14-member council has concluded that the ads are "misleading and objectionable."

The FDA, according to a spokesman, already is studying the Kellogg ads, and the Federal Trade Commission is believed to be conducting its own review of the print and tv campaign launched earlier this month via J. Walter Thompson USA, Chicago.

The controversial Kellogg cereal campaign (AA, Oct. 29) cites a National Cancer Institute study linking cancer prevention to fiber consumption.

The campaign brings to the forefront the dilemma of regulatory agencies that must evaluate the truthfulness of advertising claims for foodstuffs based on health or medical benefits—not taste, appearance, smell or any of the usual selling points of food.

"The line between food and drug [advertising] is getting grayer," an FDA spokesman said. "Foods—or products in general—marketed with a medical claim is a growing area."

The fact that this time the advertiser is Battle Creek, Mich.-based Kellogg, with 1983 sales of $2.3 billion, and not a "mom-and-pop" operation is another new twist for FDA.

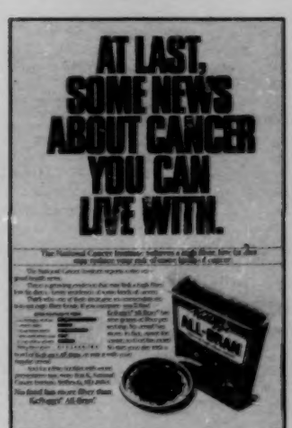
"It's just like that new product of Kimberly-Clark—the tissue [Advent] that kills cold germs—we're being asked about them, too," the spokesman said.

"Clearly, the product has a drug in it, though the company did not come to us for permission to market it," he added.

The FDA and state health officials in California expressed similar reservations over the All-Bran ads, which broke in October and are due to run at least through December.

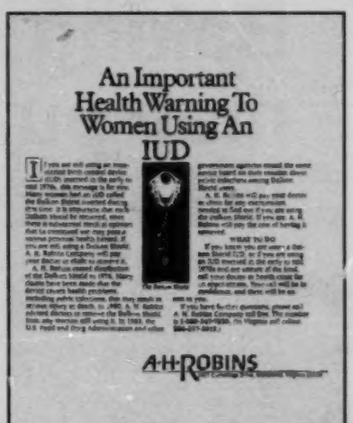
Among the unanswered questions being asked at the FDA are "whether the ad copy suggests that bran is intended for cancer prevention" and whether the cereal label "has adequate instructions for use—it doesn't say how to use it to reduce the cancer probability [because] the NCI evidence is not

(Continued on Page 58)



One question is whether the Kellogg ad suggests "bran is intended for cancer prevention."

Robins starts antishield pitch



A.H. Robins' ads discourage use of its Dalkon Shield. Burson-Marsteller, Washington, handles.

By LISA PHILLIPS

Battered by product liability suits, A.H. Robins Co. is spending $4 million on a national ad campaign urging women to stop using what once was one of its hottest products—the Dalkon Shield contraceptive device.

The Robins campaign is a bid to reach those Dalkon Shield users who have not reacted to the waves of negative publicity about side effects that swamped the product in the 1970s and spawned more than 10,000 damage suits alleging serious injuries. Two women died of complications from using the product.

The Richmond, Va.-based company stopped distribution of the product in 1974, and the Food & Drug Administration last year urged women still using the shield to remove it.

Titled "An important health warning to women using an IUD"—an intrauterine device—print ads urge IUD-users to see doctors to determine if they are wearing a Dalkon Shield. The ads note Robins will pay for all medical visits to doctors or clinics, regardless of the brand, and will pay for the removal of all Dalkon Shields.

The women's rights to further legal action against Robins will not be waived by participation in the program, the ads state.

However, the campaign could be used by Robins in its efforts to defend against punitive-damage claims.

Print ads will break next week in 177 daily newspapers, 13 minority newspapers and in major national consumer magazines such as *Jet*, *Newsweek*, *People*, *Time* and *TV Guide*. Two ads are scheduled for *USA Today* and the campaign will begin in the *National Enquirer* later this month.

A three-week flight of tv ads broke this week on all three networks, SIN Television Network, and on cable superstations WTBS, WOR and WGN.

The campaign is handled by Burson-Marsteller, Washington. A Robins spokesman said no estimate had been made on the final cost to Robins, which will depend on how many women see their doctors.

Nets fight over sportscaster

Is Brent for sale?

By ROBERT RAISSMAN

NEW YORK—Picture this: It's opening night for "Monday Night Football" in 1986 and in ABC Sports' broadcast booth is a new team. Frank Gifford still holds the play-by-play mike, but beside him are CBS Sports alumni Brent Musburger and John Madden. Gone are "Dandy" Don Meredith and O.J. Simpson.

That scenario appears to be taking shape. According to well placed network sources, ABC has made Mr. Musburger a solid offer that not only would place him in the "MNF" booth next year, but would allow him to do a number of other

(Continued on Page 57)

Presstime

Saatchi acquires Yankelovich, Skelly and White

NEW YORK—Saatchi & Saatchi Holdings, the U.S. branch of British-based Saatchi & Saatchi, has reached an agreement to acquire the Yankelovich, Skelly and White research company here and its affiliated McBer Associates consulting group, Boston, for $13.5 million in cash. The acquisition from Reliance Group Holdings confirms earlier reports (AA, Oct. 4). YS&W will operate independently.

GTE to brighten up election night

STAMFORD, CONN.—GTE Corp. will launch a two-month tv ad campaign on election night Nov. 6 for its Sylvania Light Bulbs line emphasizing quality control tests. With a reported budget in the $4 million-to-$5 million range, the campaign will represent the largest tv spending to date for the light-bulb brand. Doyle Dane Bernbach, New York, handles.

Clairol picks distributor for haircare line

NEW YORK—Clairol has named Fragrances Selective to distribute the Klorane French haircare line in department and specialty

(Continued on Page 59)

Market/Ad Research

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Feds rap beer promo tactics

Stop college capers, police marketing efforts, BATF officials warn, or risk stiffer ad controls

By SCOTT HUME

LAS VEGAS—If the brewing industry hopes to stall the drive to eliminate beer advertising on tv and radio, it must more vigorously police itself and revise marketing tactics, especially on college campuses.

That warning was sounded by officials of the federal Bureau of Alcohol, Tobacco & Firearms to the National Assn. of Beer Wholesalers at NABW's meeting here this week.

"I must tell you that I am disturbed by the increasing number of brewery-sponsored activities on college campuses," Bruce Weininger, chief of BATF's industry compliance division, said during a seminar.

"While I recognize such sponsorships are not technically in violation of the Federal Alcohol Administration Act," Mr. Weininger said, "such promotions are not in keeping with the industry's goal of promoting moderation."

After his speech, Mr. Weininger emphasized that the industry must take seriously efforts by citizens groups, such as Mothers Against Drunk Driving, to restrict or eliminate beer advertising.

"This industry has done a very good job speaking out against alcohol abuse, but wet t-shirt contests and chug-a-lug competitions on college campuses will undo a lot of that good work," he said. "Unless the industry takes a good look at these and other tactics, there is a very real possibility that the authority for reform will be put in the hands of Congress and that beer and wine advertising will be banned."

An indication that the industry does take the threats seriously came Oct. 29, when NABW members voted in favor of a new bylaw concerning beer on campus. The new policy states that wholesalers must abide by the wishes of a college administration concerning availability and promotion of beer on campuses.

In the short term, it appears that BATF will put beer advertising under closer scrutiny. Thomas George, chief of the bureau's regulations and procedures division, said several areas are due to be opened soon for public discussion and possible policy changes.

Among them are the use of athletes in beer advertising and regulations concerning use of the terms "light" and "natural."

Current regulations restrict advertisers from using athletes who are active players and from depicting athletes drinking beer before they go out to participate in a sporting event.

Mr. George declined to say whether those restrictions might be liberalized or restricted further, but he noted that the last time the bureau undertook a revision of beer advertising policies, it got 10,000 letters calling for tighter restrictions.

Another aspect of marketing about which brewers and wholesalers were warned was what Mr. Weininger called "the ever-increasing number of problems" relating to beer advertising at sports and entertainment sites.

The most common, and to BATF the most serious, violations are contracts that call for advertising in exchange for brand exclusivity.

"As the competition in this industry has become more intense, this has become a much more serious problem," Mr. Weininger told ADVERTISING AGE.

Some smaller brewers have complained that the $2 million fine BATF levied against Anheuser-Busch this summer for sports-marketing violations (AA, July 2) was too small a price for so large a company to pay. But Mr. Weininger defended the fine, the largest the bureau has ever called for, and noted A-B also signed a consent decree.

"Under that decree, we can return to court and get a cease-and-desist order if we have any indication that the violations are recurring," the BATF official said. "And I assure you we will."

Tab turning 'sassy' in Coke brands' blitz

By NANCY GIGES

NEW YORK—Coca-Cola USA, feverishly completing a bevy of new commercials, revealed this week a new "Tab's got sass" ad theme and said it plans a massive five-week network tv blitz starting Nov. 2 for Tab, Sprite, Coke and other major brands.

Coke also has added golfer Tom Watson to its stable of celebrities working for the Coke brand. Mr. Watson initially will make promotional appearances, a step that often leads to appearances in Coke advertising.

The company showed its new commercials at an Oct. 31 press conference here, where it said the coming network tv blitz is set to deliver 550 million impressions. During that period, 21 different spots for Coca-Cola soft drinks will air on an average of one every three hours, the company said.

"This higher level of spending of fourth-quarter national advertising is the result of careful planning and selective, but not necessarily incremental, spending," commented Sergio Zyman, senior vp-marketing.

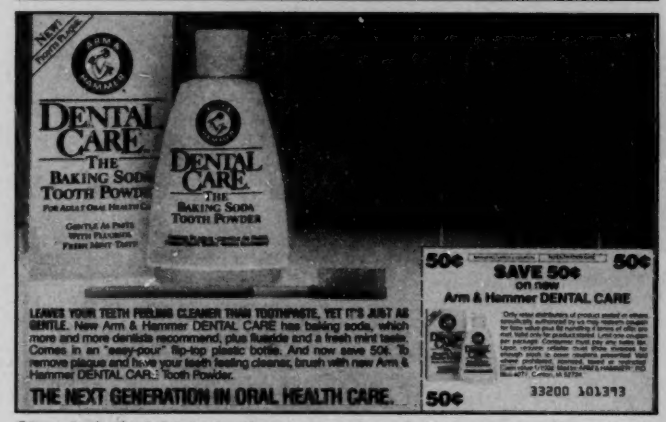
Holiday season ad binges by soft-drink companies, once out of character for an industry geared to warm-weather sales, are becoming more common observers note.

Beginning Nov. 3 and running through election day, Coca-Cola will use an "election" theme for a print and tv effort for Sprite. One spot shows a man entering a voting booth and he puzzles over his selection. The spot closes with the man seen standing in front of a soft-drink vending machine and the candidate he chooses is Sprite. An ad in *USA Today* on Nov. 6, Election Day, will offer a 75¢ refund for Sprite bought during that week, and other tv spots will cite the newspaper offer. Marschalk Co. is the agency.

Actress Cindy Harrell will appear in spots for Tab through the end of this year, but new music with the "Tab's got sass" theme will replace the controversial "Let's taste new Tab." SSC&B is the agency.

Company officials said new long-term advertising clearly positioning the brand will begin next year. The objective this year was to

(Continued on Page 57)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Church & Dwight is testing a new Arm & Hammer dentifrice that's mint-flavored and contains fluoride. Kornhauser & Calene handles.

Baking soda may put teeth in Dental Care

By NANCY GIGES

Church & Dwight is introducing a plaque-fighting tooth powder called Dental Care.

Until now, the company had used its century-old Arm & Hammer baking soda to enter the $900 million dentifrice category with advertising positioning the household standby as a plaque-fighter.

Now Church & Dwight has put into test in Madison, Wis., a powder packaged in a plastic bottle with a flip-top lid. Priced competitively with other dentifrices, the powder is mint-flavored and contains fluoride.

The company has told the trade it plans to support the new item heavily with a full program of advertising and promotion, although it is doubtful Church & Dwight could meet the $40 million spending in measured media invested by Colgate-Palmolive and Procter & Gamble for their Colgate and Crest category leaders.

Print ads include a 50¢ coupon and carry the theme "The next generation in oral healthcare." Packaging says the product is "for adult oral healthcare."

Tv spots by Kornhauser & Calene, New York, point out that the powder "leaves teeth feeling cleaner than the leading toothpaste and also reduces plaque." Copy explains the powder "neutralizes and deodorizes plaque acid and teeth feel cleaner."

For years, dentists have told their patients to use baking soda as an economical alternative to toothpaste, and two years ago Church & Dwight picked up on that usage by promoting baking soda as "a proven way to remove plaque." But this new product carries a price tag that is competitive with other major toothpaste brands, and, in fact, one Madison buying group turned down the new product essentially because of the pricing.

While promoting plain baking soda as a dentifrice may have sold a few more cases for the essentially stagnant brand, Church & Dwight must find successful new products to grow because baking soda is a flat category.

A number of years ago, Colgate-Palmolive tried to capitalize on the baking soda idea by selling a product called Peak with a baking soda formula.

Although still available in limited areas, the brand never became the success Colgate hoped.

Phone company eyes holiday callers

MCI connects with P&G

By BRIAN MORAN

MCI Communications, looking to build its long-distance customer base before the heavy holiday-calling season, this week kicks off its first consumer product tie-in promotion: A coupon effort with Procter & Gamble offering one hour of free calls.

Cincinnati-based P&G has dropped 30 million coupons in newspapers serving more than 100 markets for the two-part MCI promotion.

The coupon instructs consumers to call a special 800 number to sign up for the Washington-based MCI's service. By submitting three proofs of purchase from P&G's Cheer, Era and Cascade detergents, consumers are eligible to receive credit for 20 minutes of calls via MCI.

Customers remaining with MCI for 60 days receive credit for an additional 40 minutes worth of calls.

P&G is supporting the promotion with spot tv commercials that will run until the promotion ends Dec. 15. A 30-second spot broke Oct. 28. Leo Burnett USA, Chicago, handles.

The MCI tie-in is the latest in a string of promotions P&G has undertaken with major marketers. Last month, it kicked off a "Computerrific" promotion with IBM Corp., the computer giant's first-ever consumer product tie-in (AA, Oct. 22). The combined effort was designed to bolster IBM's PCjr model.

Earlier, three P&G brands—Cheer, Crest and Ivory—were part of a tie-in with 100 McDonald's Corp. franchises in the St. Louis area (AA, Oct. 8).

REGULAR FEATURES

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Vol. 55, No. 74—ADVERTISING AGE (ISSN 0001-8899) is published twice weekly except three times a week the last week in March, the second week in September and except once a week the third week in November, the third week in December, the fourth week in December at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 740 Rush Street, Chicago, IL 60611. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691.

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Practice

(Continued from Page 18)
tative and quantitative. Having cleanly jettisoned the old theory of summary statistics and magic numbers, we now accept the practice of backing up our basic evaluative measurements with custom-tailored diagnostics.

The most important step our industry has taken is to systematically validate the enormity of our data. While sales figures have been difficult to ferret out of clients' locked vaults, the era of cooperation has begun.

The inescapable conclusion from the cumulative weight of the industry's evidence is that we've been producing attitudinal data that has a very high correlation to sales.

So, 40 years of experience by a large number of organizations has provided a vast body of information that is reliable and valid. We must remember to have confidence in these tools that we've nurtured. Researchers do themselves and their industry a disservice, however, when we don't trust our insight and expertise to allow relatively untutored managements to dictate the techniques to be used for copy testing.

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Survey results positive

By Jack J. Honomichl

The survey research business continues to grow, according to the Council of American Survey Research Organizations, and it shows no signs of stopping.

Project commissions in the second quarter of 1984 were up 13% over the similar period a year earlier.

More than 100 members and 50 guests, speakers and exhibitors heard this industry evaluation at the ninth annual CASRO workshop Oct. 10 to 12, at the Scottsdale Conference Resort in Scottsdale, Ariz.

A confidential survey of 60 member companies showed that their collective revenues, based on newly commissioned projects, were up 11% in 1983 over 1982, year earlier.

The smaller companies (those with annual revenues of $2 million or less) did particularly well, according to the survey, with project commissions up 18.7% as a group.

The large companies (revenues of more than $6 million) were up 11.5%, and midsize companies ($2 million to $6 million) were up 5.9%.

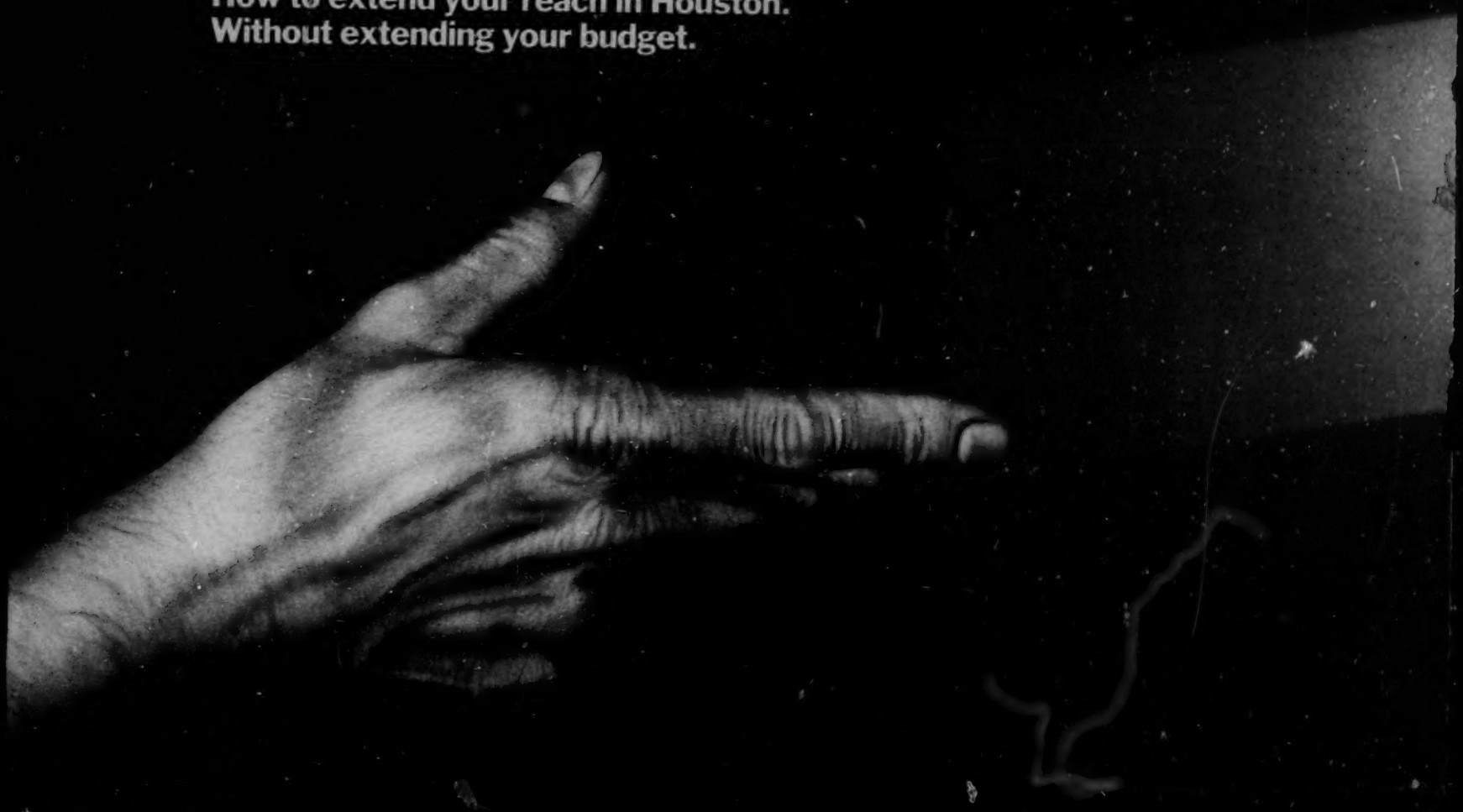
Also, according to Robert E. Shaw of Burke Marketing Services, chairman of the financial/compensation survey committee, pretax profits of the 60 companies, expressed as a percentage of sales, were up to 4.3% in 1983, a sharp rebound from the recession year level of 2.8% in 1982.

The survey also reveals a continuing shift in the relative im-

officers reported.

CASRO member data for the second quarter of 1984, based on 66 reporting companies, show the upward trend continues. Project commissions in the second quarter of 1984 were up 13% over the similar period a

Officers elected at the conference are Thomas Lea Davidson, chairman; Joseph F. Baldi, chairman-elect; John Gilfeather, secretary, and Charles Kenney, treasurer. Diane Bowers (center) is executive director of CASRO.



portance of data collection methods used by Council of American Survey Research Organizations' companies in conducting projects for their clients.

In 1983, the membership reported that 41% of the dollar volume stemmed from projects where WATS/centralized telephone interviewing was the main data collection methodology, an increase from 38% in the two previous years.

One reason for the increase in telephone research, according to the survey, was the expanded use of computer-assisted equipment, which improves data recording.

Personal, door-to-door interviewing continued to drop in importance and hit a new low of 13% in 1983.

The survey also revealed there was a substantial increase in entry-level hirings during 1983, an expression of the industry's good health.

The organization also announced the election of its board of directors.

The survey also revealed there was a substantial increase in entry-level hirings during 1983, an expression of the industry's health.

Thomas Lea Davidson, president of Davidson-Peterson Associates, New York, moved from chairman-elect to chairman, succeeding Richard McCullough of Winona Research, Minneapolis, who continues on the board.

Joseph F. Baldi, Directions for Decisions, New York, was named chairman-elect. Charles Kenney, president of Research Data, Framingham, Mass., was elected treasurer, and John Gilfeather, executive vp of Yankelovich, Skelly & White, New York, was elected secretary.

Also elected to the board was Marshall Greenberg of National Analysts, Philadelphia.

Continuing on the CASRO board for another year are Foy N. Conway of Conway/Milliken Corp., Chicago; Kathleen Knight of Behavioral Analysis, Irvington, N.Y.; Robert J. Lavidge of Elrick & Lavidge, Chicago; Dexter Needle of Audits & Surveys, New York, and Harry W. O'Neill of Opinion Research Corp., Princeton, N.J.

Charles Kenney, membership chairman of CASRO, also told attendees that membership had grown to 123 companies, up from 107 a year earlier.

The comprehensive program, engineered by workshop committee chairman Roger Ehle of Conway/Milliken Corp., focused on the theme, "Moving Ou. Business Forward."

Donald Clifton, chairman of the board, SRI Research, Lincoln, Neb., was the featured dinner speaker and discussed the motivation and management of staff in a research company environment.

Other guest speakers at the dinner included consultants on personal selling skills, financial planning for personal and corporate objectives, and tax matters related to mergers and acquisitions.

Before adjourning, CASRO settled on the Homestead in Hot Springs, Va., as the site of its 1985 workshop Sept. 11 to 13, which will be a commemoration of CASRO's 10th year.

Harry W. O'Neill of Opinion Research Corp. will be program chairman.

Data collection techniques

	1983	1982	1981
WATS/centralized telephone	41%	38%	38%
Central location/mall	19	17	16
Personal interview (door-to-door)	13	19	20
Non-WATS telephone (local)	7	8	7
Mail/diary	7	7	6
Focus group	6	5	6
All other	7	6	7

Source: CASRO survey

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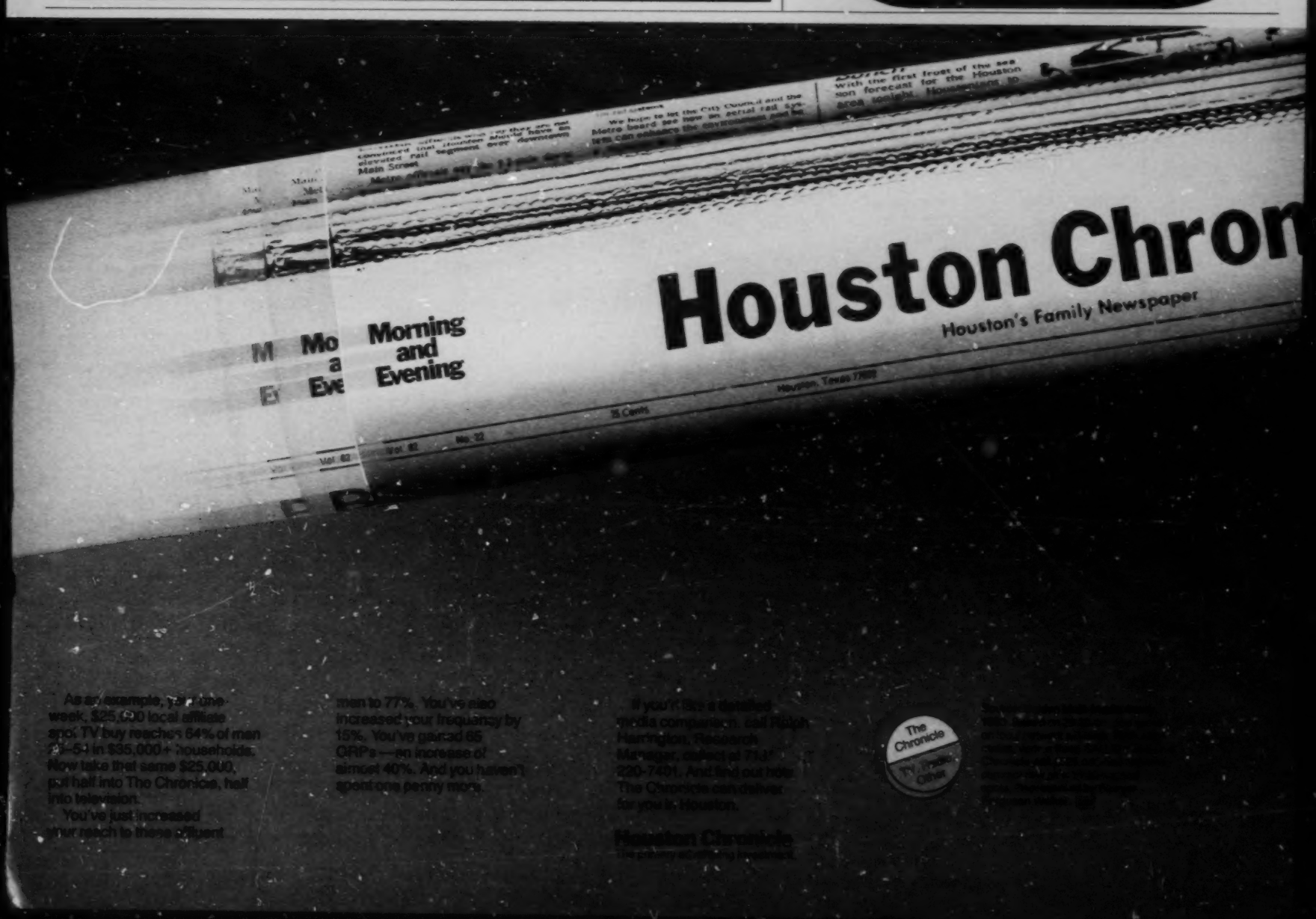
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Plotting structural changes in industry

By Eileen Cole

Prediction—even generalization—about the market research industry is a hazardous task.

The nature of the industry is not closely defined, and there is considerable lack of clarity about its boundaries. Companies holding large databases and supplying secondary data reports, for example, often are not considered part of the research business.

But there is little doubt that in the next few years, marriages between them and the more traditional market research companies will be frequent enough to cause dramatic changes in the structure of the industry.

It is a notorious truism that the market research industry is among the least well-researched of any industry. Estimates of expenditures are hard to come by and embarrassingly liable to error from faulty definition, misinterpretation or lack of comparability.

Anyone embarking on a crystal ball exercise in such a situation is asking for trouble. Nevertheless, speculation about the future in a business growing so quickly and so diversely is fascinating enough to encourage an attempt at forecasting the next five or ten years.

Because this predicting requires at least some rough definitions, for the purposes of this article, "market research" is defined as commercial market research in both the continuous (market measurement) and custom-designed areas. It does not include work done wholly within, for example, the universities, without content from a commercial market research agency or supplier.

The outstanding characteristic of the industry defined this way is that of vigorous long-term growth. This is true both worldwide and in all the major geographical areas, though particularly in the U.S. and Europe. The industry considers itself subject to the vagaries of recession and boom, and so it is in the short term. In the middle and longer term, despite constant predictions that growth had come to an end, it continues to flourish.

About $3 billion was spent with commercial research agencies worldwide in 1983, compared with slightly more than $2 billion in 1979. The larger part of this sum was spent by the subsidiaries of multinational corporations, and more than half of it was accounted for by the world's top 20 research organizations.

The general nature of the research spending and of agency-supplier structure in developed countries during the past 10 years shows a market dominated by a few large agencies with many smaller agencies or specialist suppliers.

The ratio of expenditures at large to small suppliers have been moving toward 80% to 20% respecitvely, a pattern typical of industry in general and a movement away from the old "cottage industry" structure of research.

The U.S. is in a class by itself in total expenditure, accounting for more than 40% of the worldwide commercially available market. This over-all preeminence is reinforced by examination of the world's top 10 market research companies.

In the custom research area, European-based market research companies play a significant role.

—Eileen Cole

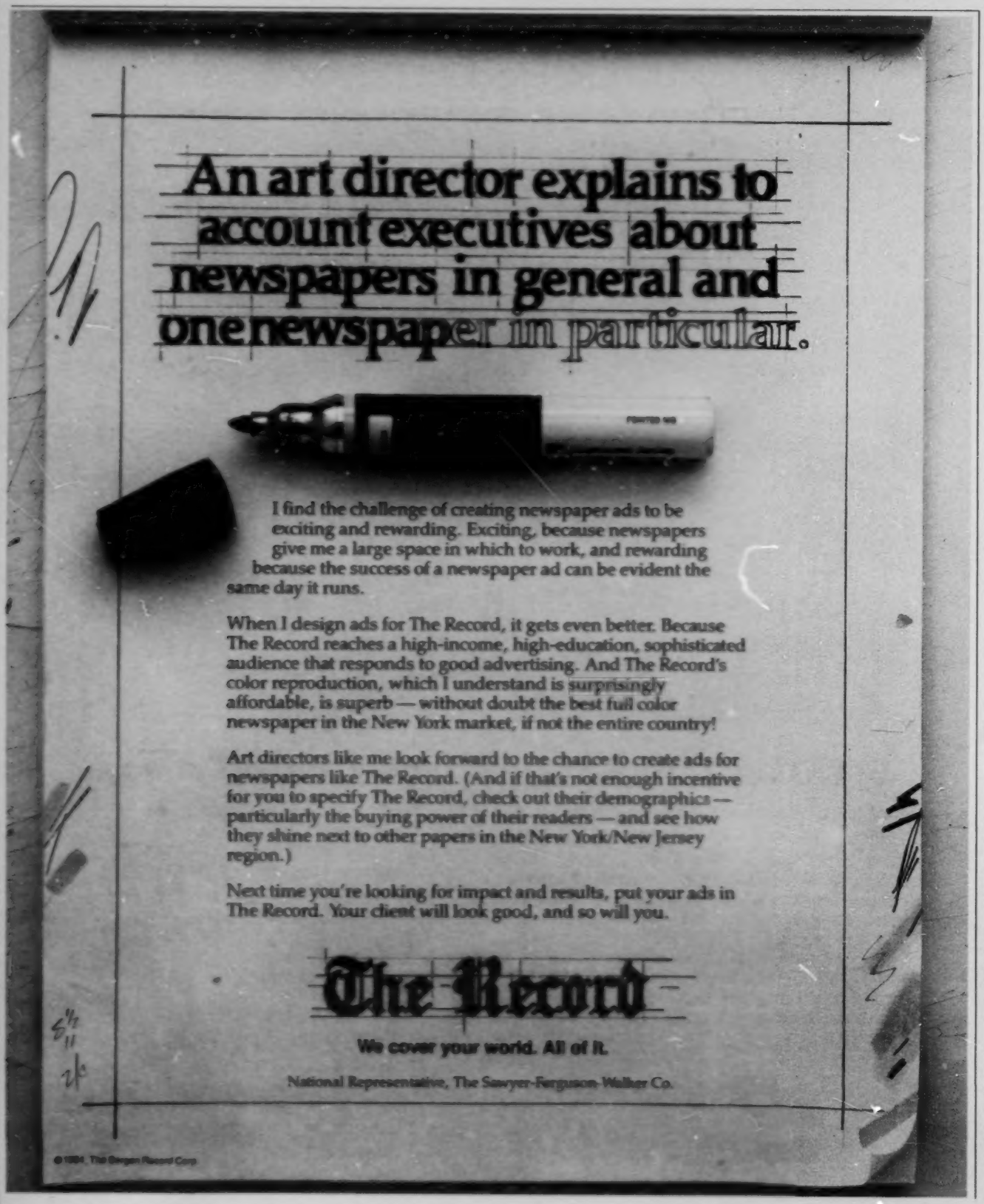
The four largest companies are American owned and primarily are concerned with market and media measurement. The next largest is a U.K.-based company, also primarily concerned with continuous market measurement.

In the custom research area, however, the U.S. domination is much less. European-based market research companies play a significant role in this area and are particularly dominant in international research.

Apart from the U.S., total market research spending is dominated by European countries as a group, notably by the U.K., Germany and France, and the growth rate in Europe, even allowing for the vagaries of exchange rates, now tends to exceed that in the U.S.

In terms of volume, allowing

Eileen Cole is chief executive officer of Research International, a London-based market research company.


An art director explains to account executives about newspapers in general and one newspaper in particular.
I find the challenge of creating newspaper ads to be exciting and rewarding. Exciting, because newspapers give me a large space in which to work, and rewarding because the success of a newspaper ad can be evident the same day it runs.
When I design ads for The Record, it gets even better. Because The Record reaches a high-income, high-education, sophisticated audience that responds to good advertising. And The Record's color reproduction, which I understand is surprisingly affordable, is superb — without doubt the best full color newspaper in the New York market, if not the entire country!
Art directors like me look forward to the chance to create ads for newspapers like The Record. (And if that's not enough incentive for you to specify The Record, check out their demographics — particularly the buying power of their readers — and see how they shine next to other papers in the New York/New Jersey region.)
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Top 10 market research companies, 1982

Organization	Home base	Research sales ($ 000,000)	Countries with office
Nielsen	USA	433	25
IMS	USA	125	57
SAMI	USA	85	1
Arbitron	USA	80	1
AGB	UK	74	20
Burke MS	USA	52	2
Research International	UK	48	29
Infratest	W. Germany	32	5
GFK	W. Germany	32	6
Market Facts	USA	27	2

Source: Advertising Age and Research International, 1984

for lower averge European salary levels, this growth is probably even more marked.

The weakest part of this analysis relates to Asia/Oceania. Very little information is available on research expenditure in Japan, for example. Research undoubtedly is growing there and elsewhere in the region, where there has been a good deal of research industry investment recently.

Apparent growth rates may be affected by differential inflation, but discounting such inflation changes the relationships only marginally. Above all, it underlines the strong real growth in the industry virtually everywhere.

Between 1977 and 1983, there have been two major world recessions and a period of general economic stress. In these circumstances, the long-term resilience of the research industry and its apparent ability to adapt itself to change and to economic conditions are especially striking.

One of the most significant and on-going characteristics of this growth, as far as custom research is concerned, is the extension in all countries of the range of product areas in which research is carried out.

In all countries, market research had its origins in fast moving consumer goods industries, much stimulated by the conditions of oligopoly there. These industries still dominate the spending worldwide both in custom research and in market measurement. The view that research expenditure soon would cease to grow was based mainly on the misconception that it would be confined to these fields.

However, economic circumstance, a recognition of the marketplace value of research information and increasingly hard selling by researchers themselves in the past 10 years have extended custom design work—and to some extent, market measurement—into a new ballpark of clients.

Finance, travel, leisure, consumer and industrial durables, ethical and nonethical pharmaceuticals, energy, social, welfare and political areas all now are researched worldwide to a degree that would have seemed impossible 15 years ago.

Such development obviously has everything to recommend it from a marketing company, consumer and research income point of view. But, it has its risks.

The application of market research techniques in the social and political arena brings the in-

(Continued on Page 36)

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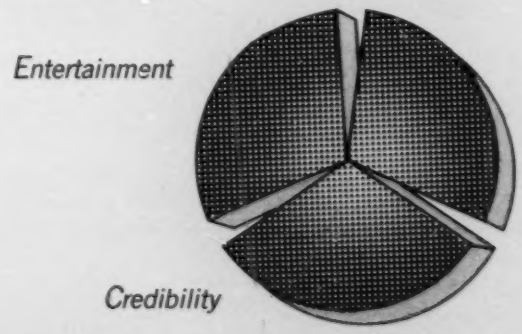

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Plotting

(Continued from Page 35)

creasing involvement of pressure groups of all kinds, for some of which proving a deeply held conviction may be more important then the ethical research standards. Increasing pressure on the integrity of researchers as this situation develops could be a real hazard in the next 10 years.

As the range of products researched has widened, so has research's geographical spread. An important result of this parallel product and geographical development is the growth of the international custom research agency.

This is a European rather than a U.S. phenomenon. With the exception of the two dominant market measurement suppliers (A.C. Nielsen Co. and IMS International), U.S. agencies have very limited international operations, even though some of the members of the top 20 are members of international research chains. The enormous size of the U.S. market results in an overwhelming focus by American suppliers on the U.S.

This contrasts with the smaller but more internationally minded markets. The U.K. is the operating base of two major multinational research organizations—Research International and AGB Research PLC—and also provides the international base for two U.S.-owned suppliers—IMS and MRBI—as well as Gallup International.

Few American research companies seek or are able to offer comparable international research capabilities, and British agencies operating either from their U.S. offices or from the U.K. have become the major suppliers of American corporations' international research needs.

Three main factors influence this trend. The first and most significant is that British agencies have specialized in the international research field for a long time and are experienced in a highly technical and complex area.

In addition, U.K. salary costs are lower, tending to reduce the cost of research carried out from a European base. Third, the recent movement of exchange rates in favor of the dollar makes British research agencies increasingly attractive to American corporations.

Total figures on the growth of international research are hard to come by. However, experience in one large agency shows that, although the pattern changes with economic circumstance, long-term growth now tends to outstrip the over-all increase in research spending.

British agencies have specialized in the international research field for a long time.

The next five years are likely to be marked by continuing growth of international work as multinational companies prowl the world looking for new markets, seeking improved efficiency in existing markets or continuing the development of international brands.

This growth is likely to be taken up mainly by European—and especially U.K.—agencies, while U.S. suppliers increasingly are preoccupied with the confrontation now developing in the market measurement-database businesses. In parallel with the European development, however, local agencies in many overseas countries are likely to develop, increasing over-all research spending.

International agencies will grow significantly in size as they invest in resources necessary to provide adequate service to international clients. Such changes are further developments of existing trends and can be predicted easily. More difficult to predict with accuracy is the effect of the rapidly increasing emphasis on database systems requiring a large investment, now a major feature in the

Market research: Worldwide expenditures

(Prevailing year exchange rates, $ billion)

	1983	1979	1977
North America*	1.4	1.1	.6
Europe	1.1	.8	.5
Asia/Oceania	.3	.2	.15
Central/South America	.08	.05	.04
Africa	.04	.03	.02
Middle East	.02	.02	.01
Total world market	2.94	2.20	1.32

*of which, the U.S. represents approximately $1.3 billion in 1983 *Source: Eileen Cole*

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Control Store Tests
• "Mini-Market" New Product Testing
• New Product/New Formulation Tests
• Promotion/Display Tests
• Matched & Paired Replicate Design
• Scanner Panel
Retail Research Division

U.S. and beginning to develop elsewhere.

The growth in market research spending is only part of a more general growth in expenditure in the information industry over-all. The sale of information presents an increasingly attractive prospect to businesses. Putting a range of different kinds of information gathering and processing skills together under one ownership is even more attractive.

The whole concept of the information business is being transformed and so may be its ownership and organization. The acquisition of A.C. Nielsen Co. by Dun & Bradstreet and the linking of Arbitron and Burke Marketing Services are likely to be the first of many acquisitions, mergers or cooperative ventures.

The advancing technology at the root of this development has been putting new life into market and media measurement systems in the U.S., systems that while operationally efficient, until recently had all the hallmarks of inertia.

The attractive bait of the immense American research spending, combined with a belief that this inertia, which had slowed major new creative thinking, could be broken, has begun to attract vigorous competition.

This competition is not only American. Major European agencies are being attracted to the U.S. both in the market-media measurement and in the custom area, bringing with them technologies they consider the equal or superior of systems in use.

The European agencies face a considerable battle, especially in market measurement. Traditional attitudes to existing suppliers, a tremendous task in putting over their new thinking to a wide range of new clients and the long established system locking in database system information to clients' own information systems are all against them.

However, recent successful American experience has shown it is possible to break the pattern. But it requires considerable investment and is a game for the big boys or those who can find big backers or rich new owners. Market-media measurement systems in the U.S. are heating up into a considerable battle of technologies, systems and money.

On one side of the battle line is an inert system slow to change because of habit and because of the difficulties of having to reshape company data. On the other side is reinvigorated or new suppliers competing with long-established operations and convinced of significant improvements in the system they have to sell.

How this will shake out is difficult to predict. But it is certain that new techniques and the increasing use of large database systems, closely tied in some cases to one source data, will cause the creation of larger and larger companies through acquisitions, mergers or partnerships. Such new supply organizations will move toward marrying the whole range of research, databases and custom research into one whole.

At the same time, they will be tying up an increasing proportion of clients' research budgets, leaving less for the creative use of custom research. Moreover, the practice of locking in data to the client's own systems is likely to make for inertia in creating and accepting change in the custom area.

After the initial period of warfare, this is not the most exciting of long-term prospects for American custom research. With the great emphasis it places on consistent repetitive measurement, it is likely to mean little in the way of wide-ranging research creativity coming out of the U.S. in the next few years.

The development of database systems and the need for large investment also is occurring in Europe and other parts of the world.

The tendency for the big agencies to get bigger and the others to get smaller must continue.

The tendency for the big agencies to get bigger and the others to get smaller must continue, with middle-size agencies having an identity crisis.

The tendency for the top end of the industry to become a much more widely based information industry, rather than concentrating simply on traditional research, also will be present. However, some of the pressures that occur in the U.S. are less marked in Europe, and some European attitudes to research always have been different from those in America.

As a result, there is likely to be a different emphasis in the structure of the industry. The European industry always has seen the custom market research agency as a creative, full-service operation including design execution, usually with its own fieldworkers and tabulation systems, and interpretation.

This structure makes for a creative attitude on the part of the agencies that are under pressure to develop new technologies to meet their clients' marketing needs and under much less pressure than agencies in the U.S. simply to turn out consistently comparative material and normative data. Also, the greater mobility of marketing people in the U.S. causes a demand for the same data routinely reported.

The relatively lower mobility in Europe, with marketing people staying longer with their product, encourages them to use

(Continued on Page 38)

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Plotting

(Continued from Page 37)
agencies to research more widely and diagnostically. The powerhouse for new technology in the custom research area therefore is likely to be consolidated in Europe, building on experience of the past 15 years.

In the highly competitive world of international research, it will be this kind of technology that is needed to help multinationals extend their markets. It follows that European strength in this area will tend to tie in international research to European suppliers.

International brands will become a feature of the research world in two senses. As international work develops, the custom research agencies developing their own chains will appear in more countries. Acquisition of local companies or close chain relationships will mean that the names of individual international companies carrying their own guarantees of quality will appear around the world.

In the case of custom research, these are likely to be mainly European-based agencies, but in the market measurement area, there will be a mixture of existing large American companies (notably Nielsen and IMS) and companies with a European home base such as AGB.

The other aspect of international branding will be in the product. Custom research work has been largely a commodity product in the past, certainly so far as non-U.S. agencies are concerned. Increasingly, however, these agencies are investing large amounts of talent and money in new technologies dealing with fundamental problems that affect most marketers.

As their investment in such work grows, they increasingly present their technology in branded form, both for more efficient marketing of their product and to protect their technical developments under a trade name.

These "brands" share many characteristics with U.S. "branding" of techniques, but they tend to be more complex. The main development areas in which this branding process is well advanced—as in the U.S.—are those of new product development testing from basic concept work to the finished marketing mix, with predictions of market share/tonnage; advertising tracking systems and—very recently—tracking/measurement systems for below the line expenditure and in-store promotional activity.

The extension of the branding system, however, is likely to go beyond this, and it may present European researchers with a dilemma between such systemization of their work and their pride in their creative design of custom work.

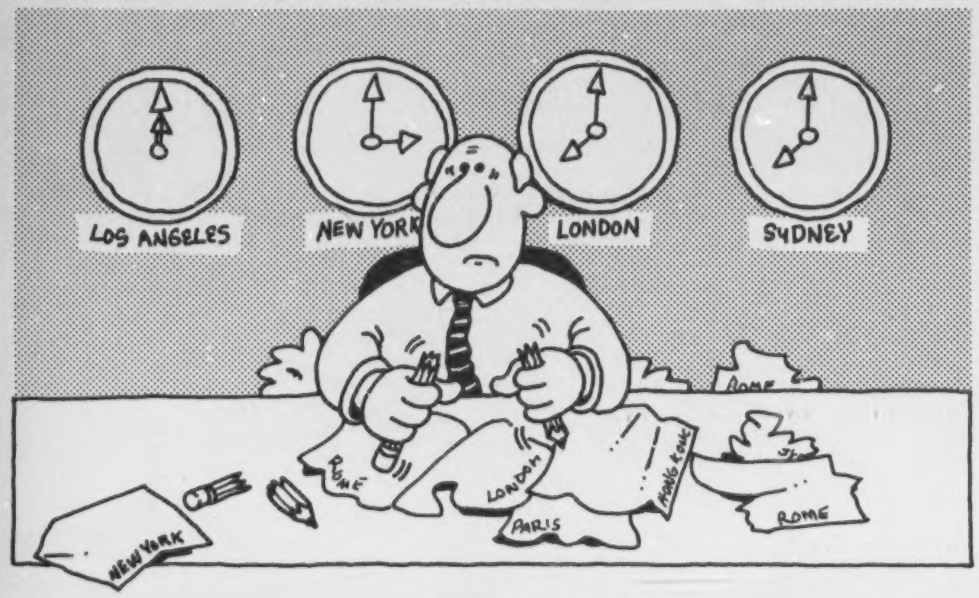
One other aspect of the overall shape of research may soon diverge between the U.S. and Europe.

The past 30 or so years have seen virtually the same retail measurement systems operated by the same suppliers on both continents. Nielsen was encouraged to set up in Europe by major clients there and operated with efficiency and success.

International brands will become a feature of the research world in two senses.

However, the larger retailers in Europe have grown more significant, giving the average Nielsen sample problems in representing all sections of the market satisfactorily. Proper representation of the largest retailers is difficult to achieve, in part because of their unwillingness to cooperate.

The advent of universal product coding and scanning technology has added greatly to the problems this presents. While Nielsen still is strongly placed in



International research need not be difficult

The coordination of international survey research can be a hassle. The challenges an international researcher faces include long-distance communication, language translation, selecting and briefing foreign suppliers, and processing and analyzing data using varying standards and systems.

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this area in the U.S. and has found continued acceptance in the retail measurement area, the situation is a good deal more complex in Europe. There, the largest retailers are considering doing measurements themselves, without agency intervention and without syndication of results.

Should this movement develop, the implications for marketing companies could be very serious and the demands on research agencies to create alternative measurement systems—particularly new types of consumer panels—very great.

The general economic pressures that encourage the use of machines instead of people are at work. In all kinds of research, therefore, we must expect to see this substitution occurring, especially in investment in hard and software related to fieldwork and all aspects of questionnaire and data handling.

European and overseas countries always have tended to do more face-to-face interviewing than the U.S., mainly because of the less widespread ownership of telephones in Europe in the past. In many countries, telephone interviewing is increasing rapidly.

However, the traditional practice of face-to-face interviewing, together with the more complex design of a good deal of European custom work, will keep it as an important method of data gathering there and this will be so in many overseas areas.

The emphasis on face-to-face interviewing, together with the fact that large custom research agencies in Europe almost all have their own national interviewer forces, has meant that the quality of personal interviewing, especially in northern Europe, is high.

Because any research is only as good as its data collection, this quality of fieldwork is a much-prized asset, and the custom of recognizing it by registration of agencies with a field force of acknowledged standards (already established in Europe) is likely to spread—to the benefit of clients.

All the factors discussed so far have been integral to the research or information industries themselves, and changes coming in them arise from those industries or from client pressures. Outside pressures, notably those from government and related forces, also will have an impact.

With increasing frequency, the call still is made for the suppression, at least around election time, of political polling.

It is vital to be alert to the suppression of democracy that this represents and to fight it at every turn. Perhaps more hazardous, however, is the ever-developing and ever-changing legislation relating to data privacy.

The danger for market research lies in the fact that well-intended and justified legislation to protect individuals is applied increasingly to market research data where individual information is lost in combination. In some major countries, the hazards to market research from this source are already significant. For corporations involved in multinational research, the issue is increasingly worrying.

The U.S. and the European market research industries, stemming from the same sources and still with the same general pattern, have developed on somewhat different lines, especially in the custom area.

Each has its strengths. The U.S. approach is orderly and systematic, making for smooth running, rapid turnaround (often branded) research, often formally integrated into the client's data and decision making process. It leans to standardized approaches and has a limited requirement for input from research agencies.

The client often plays a very major role in the design of the research and its interpretations and looks to the supplier for the mechanics. This focuses attention on the agency's mechanistic prowess but discourages it from creativity in its approach. There is great emphasis on normative data and consistent obtaining of the same data.

European countries always have tended to do more face-to-face interviewing than the U.S.

The weaknesses coming from these strengths are that creativity and change are discouraged, involvement of the agency in data interpretation is not encouraged and general all-around market research skills tend to give way to specialized skills in a narrow range of technology.

The European approach is strong in these latter areas. Clients expect agencies to play the major role in design and a large role in interpretation, so creativity is encouraged, and a good all-round training in research is the norm.

This approach also accepts the reality that not all data is clean and tidy, internally consistent, with no aberrant cells or necessarily congruent with other data (and that this can yield unexpected visionary insights into the market). However, the European researcher on average is a less good salesman, less brisk and efficient at time-tabling, more complicated (and sometimes academic) in his work and perhaps too little inclined to value norms and consistency in data.

We should move the two systems together, insisting on the best from both.

On both continents, research agencies share (at least in custom research) one characteristic they could do without—low pretax margins in a high-risk business. This, above all, is the target we should be aiming to raise to reasonable heights.

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- **Industrial survey determined size of market for 30 products**
  Employing a two-phase approach, CRS conducted 3,000 CATI interviews in the United States and Canada to determine brand share and market size for 30 products used by craftsmen and manufacturers in 60 end-user classifications.

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- **Insurance survey probes needs of older Americans**
  To determine the perceived coverage shortcomings of Medicare, 1000 CRT interviews were conducted with Americans over 65 about supplemental health insurance coverage. Results are being used to design health insurance programs that better meet the needs of the elderly.

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Advertising Age

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Campaign ads

How *good* were they?

See Page 3

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Inside look at Reagan camp's poll nerve center

— Page 1

Pepsi sings NutraSweet song in swipe at Diet Coke

— Page 2

Tambrands: Finding more than one way to succeed

— Page 4

Ralston faces Quaker Oats in Hot-Cereal Bowl clash

— Page 6

Santa's choice

When two brothers sneak downstairs to catch a glimpse of Santa in this seasonal Sprite commercial, they find he drank all the Sprite they left for him—but did not touch a drop of rival 7UP. The spot by Marschalk Co., New York, will break in several weeks as part of a five-week blitz Coca-Cola plans for its major brands (AA, Nov. 1).

Will new Diet Pepsi revive 'taste' battle?

By NANCY GIGES

New York—Pepsi-Cola USA, aiming to regain diet-cola sales lost to Diet Coke, is switching to 100% NutraSweet formulas for its diet cola brands.

At a press conference here Nov. 1, Roger Enrico, president, Pepsi-Cola USA, said tests indicated consumers preferred new Diet Pepsi by better than 2 to 1 compared with Diet Coke, suggesting a new round of "taste test" challenge advertising.

The affected brands are Diet Pepsi, Diet Pepsi Free and Pepsi Light, all of which had carried part-NutraSweet, part-saccharin formulations.

The announcement came a day after Coca-Cola USA held a press conference here to talk about a flurry of new tv spots and heavy fourth-quarter advertising for its soft drinks (AA, Nov. 1).

Responding to Pepsi's announcement following the press conference, a Coca-Cola spokesman said: "We consider it the ultimate compliment to Diet Coke. In the face of Diet Coke's phenomenal success, it is not surprising to see a variety of marketing tactics by our competitors." He said Coca-Cola has no plans at this time to change any sweetener formulas in any of its diet beverages, but will keep its options open for the future.

Purchase, N.Y.-based Pepsi is the first major company to switch to a 100% NutraSweet formula, although some small brands, including Procter & Gamble's diet Orange Crush and Squirt's diet products, are sweetened with 100% NutraSweet.

Mr. Enrico vehemently denied that the formula shift was a "desperate move."

He said: "When we signed Michael Jackson, people said it was a desperate move. When we introduced the three-liter bottle, people said it was a desperate move. And when we introduced Slice, they thought we were nuts. Our total volume is up 8% this year, and our business is extremely healthy."

The president said the Michael Jackson deal, for which Pepsi paid close to $10 million, paid off in five weeks. "I don't think it will be any more difficult to make this pay out," he said.

He also defended Diet Pepsi's recent performance, noting that during the past 10 months, the brand's sales have grown more than 30%. "The gap between Diet Pepsi and Diet Coke has been significantly narrowed,"

(Continued on Page 94)

Highlights

Opposing forces are waging a no-holds-barred ad campaign in California over a proposed statewide lottery system, spending $5 million by some estimates. *See Page 10.*

Burger King has borrowed one of the restaurant industry's tried-and-true marketing tactics —the off-menu "blackboard special"—for a new double-hamburger promotion running in several test markets. *See Page 12.*

A black organization will soon begin surveying the nation's top 200 advertisers on their black-directed ad practices. *See Page 14.*

Complete agreement between two critics is hard to find, but Gene Siskel and Roger Ebert, cohosts of the movie review show "At the Movies," were both enthusiastic supporters of Polaroid's lunchbox spot in their second annual review of commercials at Ad Age's Creative Workshop. The critics reviewed 10 tv spots. *See Page 42.*

The youngish, high-income people who buy Grand Wagoneers aren't easy marks for endorsements, so Jeep is turning to "closet celebrities." *See Page 77.*

National Car Rental knows that today's economics major likely is tomorrow's business traveler and will try to make its name better known on campus now. *See Page 77.*

The phoenix is an appropriate symbol for *Saturday Review*, since the magazine has returned, yet again, under new management. *See Page 93.*

CORPORATE CLOSEUP

Most observers say Tambrands' introduction of Maxithins is the key to the company's transformation from a stodgy, one-product concern into a diversified, aggressive marketer. *See Page 4.*

FORUM

Malcolm Gaskin, creative director at TBWA, London, offers his cure for the ills of today's print advertising. *See Page 20.*

Practitioners in the press are kidding themselves if they believe their institution can survive without public support. That's the message from Louis D. Boccardi, soon to become president of the Associated Press. *See Page 20.*

INTERNATIONAL

"Threads," a British variation of ABC's "The Day After," is making its way across the Atlantic and should arrive in the U.S. next year. *See Page 52.*

Dentifrice marketers are blanketing Europe with toothpastes in pump dispensers. *See Page 52.*

In Brazilian advertising, the password often is "Sex sells." *See Page 54.*

Borrowing from President Reagan, Australian Labour Prime Minister Bob Hawke is launching a series of patriotic reelection tv commercials this month that observers are calling a "Reagan-style" campaign. *See Page 56.*

VIDEOTECH

Clearly relishing NBC's unaccustomed early-season ratings success, Brandon Tartikoff, president of NBC Entertainment, said last week he is in no hurry to cancel fall shows and rush in replacements. *See Page 60.*

Nashville's Program Factory is tooling up for a busy year ahead. *See Page 66.*

COMING THURSDAY

SPECIAL REPORT

Healthcare advertising is gaining wider acceptance as it becomes more valuable to medical professionals caught in a competitive marketplace.

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Vol. 55, No. 75—ADVERTISING AGE (ISSN 0001-8899) is published twice weekly except three times a week the last week in March, the second week in September and except once a week the third week in November, the third week in December, the fourth week in December at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 740 Rush Street, Chicago, IL 60611. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691.

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ABP BPA RED TAG ABC AMPA

Gargano to chairman

Ally, Dailey pick retirement dates

By STEWART ALTER

C. Ally

P. Dailey

Carl Ally and Peter Dailey, two well known ad agency executives whose names are on the doors of their agencies, both will retire Dec. 31.

Mr. Ally, 60, will retire as chairman of Ally & Gargano, but continue as a board member and as a consultant; he still owns more than 13% of A&G's stock, as does chief executive officer Amil Gargano, who takes on the chairman title.

In a separate development, Mr. Dailey, 54, who sold the Los Angeles-based Dailey International Group to the Interpublic Group of Cos. in 1983, will leave IPG as vice-chairman and a board member.

Neither move was considered a surprise to those familiar with the situations, though Mr. Dailey's departure has prompted speculation that he may be in line for a political appointment next year.

In A&G's prospectus, issued before it went public more than a year ago, it stated, "Mr. Ally's contract provides that after the initial one-year term he will serve as a consultant to the company for a period of two years," and following

(Continued on Page 92)

'Stern' blasts editor for Hitler diary hoax

By JOSEPH M. WINSKI

Hamburg—The specter of Adolf Hitler continues to haunt *Stern*, the flagship magazine of Germany's giant publishing house, Gruner & Jahr.

Last week, *Stern* published a story that alleges a key editor involved in last year's publication of the infamous forged Hitler diaries knew they were false.

"We believe that Thomas Walde probably knew the stuff was false at least four weeks before" publication, Rolf Winter, *Stern* editor-in-chief, said in an interview last week with Advertising Age.

Mr. Walde was at the time editor of *Stern's* contemporary history section and immediate supervisor of Gerd Heidemann, the reporter who claimed to have found Hitler's diaries. Mr. Walde now works for the radio/tv unit of Gruner & Jahr.

In its current issue, *Stern* reports that Mr. Walde learned from a government crime technician in March, 1983, that the paper on which the "diaries" was written contained a whitening agent that was not available until after World War II. However, *Stern* says Mr. Walde refused to allow further testing of the papers and pushed for early publication.

The "diaries" were published in the April 25, 1983, issue of *Stern*, but within weeks the West German Archives ruled that they were "blatant forgeries." The ruling led to international criticism of the magazine's apparent stupidity and venality.

Stern's disclosure regarding Mr.

(Continued on Page 94)

CORPORATE CLOSEUP

Tambrands survives in market 'jungle'

By SHERRY SIEGEL

LAKE SUCCESS, N.Y.—Edwin Shutt Jr., president of Tambrands Inc., pooh-poohs pronouncements by industry analysts that the company's Maxithins line of feminine pads is a phenomenal success.

"I think it's a successful brand," he admits, "but I wouldn't characterize it as a phenomenal success."

Despite Mr. Shutt's caution, the consensus is that Maxithins, the company's only U.S. product besides Tampax tampons, is the key to Tambrands' transformation from a stodgy, one-product concern into a diversified, aggressive company. Maxithins, introduced in 1981, has helped enough to put Tambrands in line for 12% to 15% annual growth in sales and earnings through 1988, according to Daniel Meade, an analyst with First Boston Research.

And with Maxithins in its lineup, the company changed its name in 1983, from Tampax to Tambrands, to reflect the evolution.

But to live up to the promise of the new name, the company must pass a number of tests. Chief among them are to keep Tampax going as the company's "cash cow," strengthen its hold in the pad market and absorb the cost of introducing Maxithins—$60 million has been spent so far—and future new-product introductions.

Tambrands, which had sales of $346.4 million in 1983, hasn't always been up to such challenges. In the mid-1970s, Tampax's market share started shrinking, falling to 41.6% by 1980. By then, said James Waggoner, an analyst with Bear Stearns, New York, the company had little to recommend itself, save a strong balance sheet.

Ironically, the toxic shock syndrome tragedy of 1980 proved beneficial for Tambrands. One analyst has written that TSS gave Tambrands "a new lease on life." Consumers turned to old reliable Tampax—especially its all-cotton variety—as superabsorbent fibers received heavy scrutiny as a possible factor in causing TSS.

When Procter & Gamble pulled its ill-fated Rely tampons off the shelves in September, 1980—by which time it had attained a 12% market share—Tampax's share jumped 9%. Just as important for Tambrands, the brand that was shaping up as Tampax's major competition had been knocked out of the action after only nine months.

Another positive jolt was the arrival in June, 1981, of Mr. Shutt as president. He came from Clorox Co., Oakland, Cal., where he was also president. Before that, he was with Procter & Gamble.

Mr. Shutt, 57, brought brand management and international marketing experience to Tambrands, talents necessary for the company's diversification into new-product areas—a strategy the company's board adopted in 1980.

With diversification in mind, Mr. Shutt implemented a number of changes in Tambrands' organization. The company:

- Established a national network of food and drug brokers, managed by Tambrands' regional sales managers.
- Reorganized its international operations, with marketing-trained regional managers made responsible for overseeing the international marketing effort.
- Hired a vp-management information systems to update and upgrade systems.
- Promoted the vp-fibers to exec vp, responsible for the company's newly organized research and development efforts.

Shortly after Mr. Shutt's arrival, Tambrands introduced Maxithins to 44% of the U.S. (in terms of population), and the thin, superabsorbent pad grew to capture about 11% of the thin-pad market.

Maxithins bolstered Tambrand's sales, which increased to $346.4 million in 1983 from $287.5 million the previous year. Earnings, however, did not rise as quickly, reaching $51.7 million in 1983 from $43.3 million in 1982.

Analysts have lauded Tambrands for entering the thin-pad market quickly, second after Johnson & Johnson's Sure & Natural.

Even with the fast introduction, however, Maxithins faced considerable competition. The pad market is a veritable jungle, encompassing thick pads, thin pads and panty shields, different absorbencies and regular or deodorant varieties.

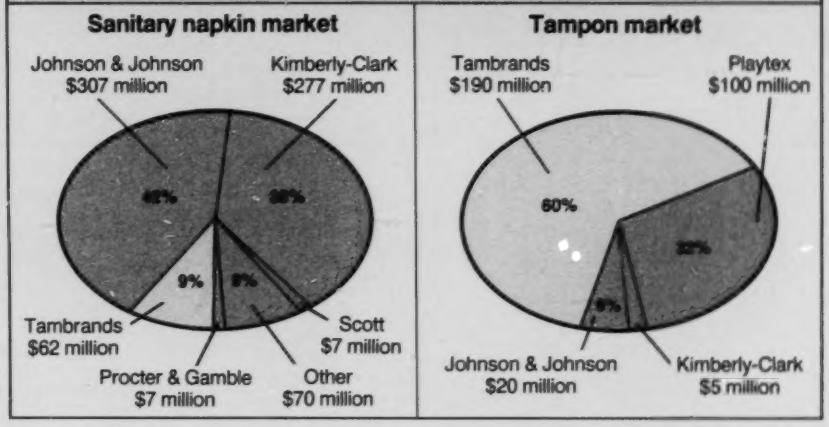
Tambrands entered into this catamenial pandemonium only with products in the fastest-growing segments: Thin pads and pantyshields. According to Bear Stearns' Mr. Waggoner, while the company has nearly 20% of the total pad market, it actually has close to 50% of the thin pad and pantyshields markets.

The pad market was relatively calm before 1980. But after TSS broke, the category went wild. Women began changing their habits—"dual usage," using a tampon along with a pad, is growing, for example—and the pad

(Continued on Page 74)

Tambrands' slice of the market

Tambrands hopes the domination of Tampax in the tampon market will rub off on Maxithins' ability to make gains among sanitary napkins. Maxithins already has nearly 50% of the thin pad and pantyliners segments, but Procter & Gamble could make a sizable dent with its Always brand, which was introduced early this year. *Source: Daniel Meade, First Boston Research*



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Republic perks up pitch

By BRIAN MORAN

NEW YORK—Republic Airlines hopes a new image-builder marketing push beginning this week will have business travelers bragging they've gotten something for nothing.

Republic's $8 million fall advertising campaign, which breaks Nov. 6 during election night coverage on ABC and CBS, hones in on the never-ending search for more comfortable flights and hassle-free connections.

Dancer Fitzgerald Sample here, Republic's new agency, will pepper network tv, radio and newspapers with a list of "perks" aimed at getting consumers to choose Republic as their preferred airline. The ad effort is part of a wholesale revamping of Republic's image, which extends to a new corporate logo and a paint job for the carrier's 133 planes.

DFS, which won the $30 million Republic account last June, tapped senior vp Cliff Freeman, creator of Wendy's "Where's the beef?" campaign, to join the agency's first creative effort for Republic. The resulting pool of comic tv spots plays on the business executive's dread of out-of-town trips.

Mr. Freeman, who may take credit for perhaps the best-known ad slogan of the '80s, admitted to a tinge of apprehension about his new assignment.

"In fast-food, you have three major players and the battle lines are simpler," he said. "With airlines, the ad message usually has so many elements that it's a little unfocused. Normally, I don't like to do it."

Mr. Freeman said DFS' creative team for Minneapolis-based Republic, headed by Stanley Becker, exec vp, was able to get around the problem by focusing on a one-word theme near and dear to the hearts of business travelers: Perks.

Tag line for Republic Airlines' revamped image print ads is "We make you feel like flying." Dancer Fitzgerald Sample, New York, handles.

"It excited me as a fresh word that's not used much in print or broadcast, and there's a lot of empathy attached to it," Mr. Freeman said. "A lot of us have always wanted more from business trips that usually mean leaving our families, bad food and no sleep."

DFS' pool of tv and radio commercials for the "Perks" campaign includes introductory spots outlining Republic's service benefits, plus followup spots focusing on each perk.

The introductory tv spot features a businessman who keeps getting interrupted at the worst possible times—during a backyard barbecue, an anniversary dinner with his wife and his birthday party—by phone calls from his boss ordering him off to Omaha.

"We know what it's like to be in business," an announcer says as the woebegone businessman faces up to another road trip. Later, fortified by perks such as free drinks, front-of-the-plane wide seating and separate check-in facilities—for $15 more than Republic's normal coach fare—the traveler leaves the flight content. He even ignores a ringing pay phone at the airport.

Another spot shows a logjam of jets awaiting takeoff at an airport while confusion reigns in the control tower. The spot pitches Republic's major hubs of Detroit, Minneapolis-St. Paul and Memphis as less congested.

Other perks described in the campaign include Republic's frequent-flyer program, which requires 20,000 miles to earn a free

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'Jungle'

(Continued from Page 4)

market grew from $438 million in sales in 1979 to $730 million in 1983. (During that time, the U.S. tampon market grew from $232 million to $315 million.)

Right positioning

Maxithins' success is attributed to its being in the right segment of the market, the $60 million in advertising and promotion that Tambrands has spent so far and the product's unique packaging design: Each pad is folded and individually wrapped, so it's discreet and travels well.

For its advertising, Tambrands generally uses network tv commercials wherever they're permitted, along with ads in women's service magazines around the world. The company spent $48 million in media in 1983, up from $44 million in 1982 and $28 million in 1981. William Esty Co., New York, has handled Tampax since 1980 and recently was given responsibility for a new product. MCA Advertising, New York, was assigned Maxithins in 1981 and about six months ago, the company assigned another new-product project to a third, undisclosed agency. Worldwide, Tambrands works with perhaps 20 agencies, Mr. Shutt noted.

Because of promotion costs, the Maxithins line still is losing money for Tambrands, though sales for 1983 reached $62 million and are estimated at $85 million for this year. The line is expected to turn profitable in 1985, with sales expected to be $100 million to $110 million.

Maxithins' performance during P&G's test of its Always pads in Minneapolis from December to January bodes well for Tambrands, analysts believe. While Always accumulated 20% of the market during a $100 million P&G promotion blitz, Maxithins didn't lose any share and, in fact, grew from 6% to 7.5%, according to Diana Temple, an analyst with Salomon Brothers, New York. Always took share away from Johnson & Johnson and Kimberly-Clark instead.

Despite all the activity in pads, Tambrands isn't ignoring its tampons. The tampon market is growing slowly, about 3% to 4% a year. But Tambrands has more than 60% of the market and sells more than 2.5 billion tampons yearly, producing $190 million in sales in 1983, up from $179 million in 1982.

Signs of innovation

Last year, the company introduced tampons with rounded cardboard applicator tips into the U.K.; in the U.S., the company is testing plastic applicators in the Pacific Northwest. Although some analysts say the company should have gone to plastic sooner—its biggest tampon competitor, International Playtex, uses plastic—others consider both moves positive signs of innovation.

Much of Tambrands' international effort centers on education: Spreading the word about internal feminine protection. Though Tampax tampons are sold in more than 135 countries, many women in them do not even purchase feminine protection.

Mr. Shutt likens the situation to that in the U.S. before World War II, "when no women used tampons or knew about internal protection." He recalls that ads in women's magazines would be accompanied by an education campaign.

"We're making a very conscious effort to repeat that experience [overseas]," he said. "The media haven't been worked to the extent we think they can." Toward that goal, the company has a three-person office in Manila, two people covering the Middle East and Africa and recently added a second person in South America.

New product on tap

Tambrands has been promising a new product in 1984, and Mr. Shutt is hoping to introduce it in the fourth quarter. But that may be delayed until 1985. Tambrands is saying only that it's outside the catamenial market and will take advantage of the company's delivery network of drugstores and supermarkets.

Analysts have surmised that it's an incontinence product, contraceptive sponge, oral hygiene product ("Maxifloss," cracked one analyst) or general skincare item. The company is planning a new product introduction in early 1986, as well. The first product, whatever it is, is expected to reach $10 million to $15 million in sales in its first full year.

Tambrands has made a strong commitment to product development, signaled by the arrival of Pablo Zamora from P&G product development, as vp overseeing the noncatamenial product-development effort. Before Mr. Zamora's arrival, catamenial and noncatamenial product development had been lumped together.

In addition, Mr. Shutt is "constantly on the lookout" for potential acquisitions. The company has $93 million in cash, no long-term debt and stockholders' equity of $200 million (as of yearend 1983). First Boston's Mr. Meade figures the company could easily rustle up a fund of $200 million for a purchase.

But the consumer product area has been "pretty well picked over in the U.S., and a lot of junk is brought to us" by the investment community, said Mr. Shutt. The company vowed in its 1983 annual report to avoid acquisitions of companies it doesn't know how to manage.

Unknowns ahead

As Tambrands evolves into a diversified organization, Mr. Shutt has been plumping its employe ranks. Mr. Shutt mentions proudly that Tambrands hired one of the top MBA graduates from Columbia University this year, though the student was pursued by Johnson & Johnson and Procter & Gamble.

Amid all the good news, a few unknowns lie ahead for Tambrands. All the causes of TSS remain to be found—Tambrands has so far committed more than $4 million to the search—but some believe that tampons will be exonerated as a major cause of TSS. And the Food & Drug Administration is talking about standardizing absorbency ratings for tampons. Such a requirement might cost the industry millions in compliance.

But Tambrands appears strong and ready to do battle with any adversaries in catamenial products or any new-product areas it chooses.

"Where they go from here is pretty much a mystery," said Bear Stearns' Mr. Waggoner. But for a "sleepy company that never used to make the Nielsen," as Hercules Segalas, analyst with Drexel Burnham Lambert, New York, put it, Tambrands appears, in one sense, to have already arrived.#

Lapin, Rose combine

New York—Lapin & Rose Associates has been formed with the addition of Rich Rose as a principal in the pr and marketing agency formerly known as Jackie Lapin Associates, based in Woodland Hills, Cal.

Mr. Rose, who will remain here, was an account supervisor in Taylor & Silverman Communications, a sports pr agency whose principals, Alan Taylor and Ira Silverman, earlier this fall formed separate agencies. Lapin & Rose has opened an office here at 212 Fifth Ave., 10010.#

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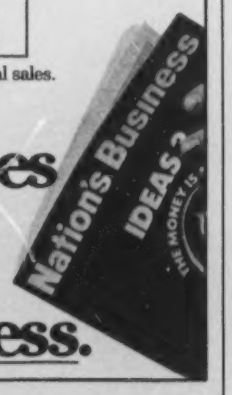

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